

VIRGINIA: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Virginia's Workers

- Export-supported jobs account for an estimated 4.4 percent of Virginia's total private-sector employment (roughly one of every 23 jobs). (2001 data latest available)
- One-sixth (17.4 percent) of all manufacturing workers in Virginia depend on exports for their jobs. This is slightly below the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports on the U.S. economy. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Thousands of Virginia Firms—Small As Well As Large

- A total of 6,053 companies exported goods from Virginia locations in 2001. Of those, 82 percent were small and medium-sized enterprises (SMEs) with fewer than 500 employees.
- SMEs generated over one-fourth (26.9 percent) of Virginia's total exports of merchandise in 2001.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Virginia

- In 2002, majority-owned affiliates of foreign companies employed 146,400 workers in Virginia.
- More than one-quarter of these foreign-investment-supported jobs (26 percent, or 37,500 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 10.9 percent—over one-tenth—of total manufacturing employment in Virginia in 2001.
- Foreign investment in Virginia was responsible for 5.2 percent of the state's total private-industry employment in 2001.
- Major sources of Virginia's foreign-investment-supported jobs in 2002 were the United Kingdom, Japan, Germany, the Netherlands, and Sweden.

Note: All figures exclude employment in banks affiliated with foreign companies.

Source: Bureau of Economic Analysis.

Virginia Depends on World Markets

- Virginia's export shipments of merchandise in 2003 totaled \$10.9 billion.
- Virginia exported globally to 203 foreign destinations in 2003. The state's largest market in 2003 was NAFTA member Canada, which received exports of \$2.1 billion, roughly one-fifth (19 percent) of Virginia's merchandise export total. Canada was followed by Germany (\$990 million) and Japan (\$908 million). Other top markets included the United Kingdom, China, Belgium, Mexico, the Netherlands, Malaysia, and Saudi

Arabia.

- Virginia's biggest growth market, in dollar terms, is China. From 1999 to 2003, export shipments to China increased by \$348 million. Other countries where Virginia recorded large gains in the value of exports over this period were Germany (exports up \$289 million), Malaysia (up \$181 million), the United Kingdom (up \$125 million), and French Guiana (up \$95 million).
- Of Virginia's 30 top markets, exports to French Guiana grew the fastest over the 1999-2003 period, increasing from just \$281,000 to nearly \$95 million. Over this time span, Virginia also more than doubled its exports to China, Malaysia, and Russia.
- Manufactured goods make up 85 percent of Virginia's exports. Among manufactured products, the state's leading export category is transportation equipment, which accounted for \$1.5 billion (13 percent) of Virginia's total merchandise exports in 2003. Other top manufactured exports that year were chemical manufactures (\$1.4 billion), computers and electronic products (\$1.4 billion), and machinery manufactures (\$1.1 billion).
- In dollar terms, Virginia's leading manufactured export growth category is chemical manufactures. Export shipments of these products during the 1999-2003 period grew from \$973 million to \$1.4 billion. Other manufactured export categories that registered large dollar growth over that time span were machinery manufactures (up \$195 million), transportation equipment (up \$88 million), and fabric mill products (up \$67 million).
- In percentage terms, Virginia's fastest-growing manufactured export category is primary metal manufactures, which grew 57 percent from a 1999 level of \$76 million to \$120 million in 2003. Other fast-growing manufactured exports during this period were non-metallic mineral manufactures (up 56 percent), chemical manufactures (up 48 percent), and fabric mill products (up 37 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

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